



## OFFICE OF THE COUNTY AUDITOR INTEROFFICE MEMORANDUM

TO: All Council Members  
FROM: Lauren M. Smelkinson, County Auditor *LMS*  
DATE: August 28, 2012  
SUBJECT: Revision to Council Meeting Notes

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Please find attached revised FM-7 (Youth Employment, Training, and GED Services) to the Council Meeting Notes issued August 23, 2012. The note was revised to reflect that with Council approval, the initial term will continue through June 30, 2013. The note originally indicated that with Council approval, the initial term would continue through June 30, 2012.

This item will be discussed at the August 28, 2012 work session for the September 4, 2012 Council meeting.

Attachment

FM-7 (4 Contracts)

Council District(s) All


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**Department of Economic Development**


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**Youth Employment, Training, and GED Services**


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The Administration is requesting approval of four contracts to provide employment, training, and General Educational Development (GED) services for County youth. The four contractors are: the Baltimore County Board of Education; Catapult Learning, LLC; First Step, Inc.; and Arbor E&T, LLC d/b/a Arbor/ResCare Workforce Services. The contracts commenced on July 1, 2012, will continue through September 30, 2012, and may not exceed \$25,000, unless approved by the Council. If approved, the contracts will continue through June 30, 2013, and will be automatically renewed for five additional 1-year periods with an option to extend the initial term or renewal terms an additional 90 days. Compensation may not exceed \$1,016,855 for the four contractors combined for the initial term and may not exceed the amount appropriated for these services during each renewal period. Assuming the same level of appropriation each year, estimated compensation for the four contractors combined totals \$6,101,130 over the entire 6-year and 3-month term, including the renewal and extension periods. See Exhibit A.

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**Fiscal Summary**

<b>Funding Source</b>	<b>Combined Initial Term</b>	<b>Combined Total Compensation</b>
<b>County</b>	--	--
<b>State</b>	--	--
<b>Federal</b> <sup>(1)</sup>	\$ 1,016,855 <sup>(2)</sup>	\$ 6,101,130 <sup>(3)</sup>
<b>Other</b>	--	--
<b>Total</b>	<u>\$ 1,016,855</u> <sup>(4)</sup>	<u>\$ 6,101,130</u> <sup>(4)</sup>

<sup>(1)</sup> U.S. Department of Labor funds passed through the Maryland Department of Labor, Licensing, and Regulation.

<sup>(2)</sup> Maximum compensation for the initial 1-year term for the four contractors combined.

<sup>(3)</sup> Total estimated compensation for the entire 6-year and 3-month term, including the renewal and extension periods, assuming the same level of appropriation for each renewal period for the four contractors combined.

<sup>(4)</sup> See below for breakdown by contractor.

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### Analysis

The purpose of youth employment and training programs is to prepare youth with barriers to employment for the completion of a high school diploma or equivalent, followed by placement in a job, post-secondary education, occupational training, or service in the military. The contractors will provide County youth between the ages of 16 and 21 with employment and training services, which include GED preparation, work and life skills training, job placement, counseling, specialized academic remediation, and follow-up services. Catapult Learning, First Step, and Arbor ResCare will work with students who have dropped out of high school, while the Life Works program through Baltimore County Public Schools (BCPS) will work with youth who have been referred to Rosedale Alternative High School. BCPS and Catapult Learning will each serve 50 youth per year, First Step will serve 56 youth per year, and Arbor ResCare will serve 60 youth per year. The average cost per youth is approximately \$4,708 for the first year.

The contracts commenced on July 1, 2012, will continue through September 30, 2012, and may not exceed \$25,000, unless approved by the Council. If approved, the contracts will continue through June 30, 2013, and will be automatically renewed for five additional 1-year periods with an option to extend the initial term or renewal terms an additional 90 days. Compensation for the initial term may not exceed a total of \$1,016,855 for the four contractors combined and may not exceed the amount appropriated for these services during each renewal period. Assuming the same level of appropriation each year, estimated compensation for the four contractors combined totals \$6,101,130 over the entire 6-year and 3-month term, including the renewal and extension periods. The County may terminate the agreements by providing 30 days prior written notice.

Individual contractor compensation is as follows:

Contractor	Initial Term	Total Estimated Compensation
Baltimore County Public Schools	\$ 217,257	\$ 1,303,542
Catapult Learning, LLC	219,643	1,317,858
First Step, Inc.	280,000	1,680,000
Arbor/ResCare Workforce Services	299,955	1,799,730
Combined Total Compensation:	<u>\$ 1,016,855</u>	<u>\$ 6,101,130</u>

The contracts with Catapult Learning, LLC; First Step, Inc.; and Arbor/ResCare Workforce Services were awarded through a competitive procurement process based on qualifications, experience, program performance, and program design from six responsive proposals received. The contract with BCPS was awarded on a sole-source basis since it is the only organization that provides Workforce Investment Act services to in-school youth at the Rosedale Alternative High School.

On July 6, 2009, the Council approved similar 6-year contracts with BCPS, Catapult Learning, and First Step with a total estimated compensation of \$4,187,400. In addition, on April 5, 2010, the Council approved a similar 6-year contract with Henkels & McCoy, Inc. with a total estimated compensation of \$1,873,062. The Department advised that FY 2012 expenditures totaled \$209,968 for BCPS, \$211,614 for Catapult Learning, \$266,849 for First Step, and \$283,356 for Henkels & McCoy. The Department advised that Requests for Proposals are advertised every 3-4 years to determine if there are new and more relevant programs for Baltimore County youth.

The County Charter, Section 715 requires that “any contract must be approved by the County Council before it is executed if the contract is...for services for a term in excess of two years or involving the expenditure of more than \$25,000 per year...”

Baltimore County  
Department of Economic Development  
Division of Workforce Development

Youth Contracts for FY 2013  
Executive Summary

The Department of Economic Development, Division of Workforce Development (DWD) issued a Request for Proposals for youth employment and training programs in October, 2011. DWD's youth programs are funded under the Workforce Investment Act with federal funds passed through the state Department of Labor, Licensing and Regulation. The purpose of the youth programs is to prepare youth with barriers to employment for completion of a high school diploma and placement in a job, post-secondary education, occupational training or the military.

Seven proposals were received. Two were disqualified for non-responsiveness to the RFP guidelines. ~~Attached is a copy of the ratings of the proposals.~~ Staff recommended the awarding of three proposals: First Step, Inc, Catapult Learning LLC, and Arbor ResCare Workforce Services. In addition, Baltimore County Public Schools is being awarded a contract under the sole source basis because they are the only organization that provides Workforce Investment Act services to in-school youth at the Rosedale Alternative High School. The other programs serve school dropouts only.

The staff recommendations were presented to the Workforce Development Council for their approval, which is mandated under the Workforce Investment Act. The Council voted in favor of the staff recommendations.

The programs will enroll a total of 216 county youth between the ages of 16 and 21. The First Step, Catapult and Arbor/ResCare programs will train high school dropouts in GED preparation, work skills and employment readiness. In addition, they will provide counseling services and internships with employers. The BCPS program at Rosedale High School (*Life Works*) will provide life and work skills, academic remediation and a summer work experience. Students in this alternative program return to their home schools after one or two terms at Rosedale and are followed with services from *Life Works* staff until they graduate.

The total cost of the four programs is \$1,016,855. This averages out to \$4,707.66 per youth.

Prepared by: Department of Economic  
Development - Division of Workforce Development